



May 31, 2017
Department of Housing and Community Development
7800 Harkins Road, Room 201/203, Lanham, MD
10:00am-12:00pm

Attendees:

Cabinet Members:

R. Michael Gill, Secretary, Department of Commerce, Chair
Wendi Peters, Secretary, Maryland Department of Planning (MDP)
Ken Holt, Secretary, Maryland Department of Housing and Community Development (DHCD)
Kelly Schulz, Secretary, Department of Labor, Licensing and Regulation (DLLR)
Jimmy Rhee, Special Secretary, Governor's Office of Minority Affairs (GOMA)
Horacio Tablada, Deputy Secretary for Secretary Ben Grumbles, Department of Environment (MDE)
Mark Crampton, Assistant Secretary for Secretary Pete Rahn, Department of Transportation (MDOT)

Guests:

Britta Vander Linden, Deputy Chief of Staff, Office of the Governor
Randall Nixon, Business Ombudsman, Office of the Governor
Greg Slater, Administrator, State Highway Administration (SHA)
Ben Wu, Deputy Secretary/COO, Department of Commerce
Jeff Tosi, MDOT
John Schofield, SHA
Michael White, DHCD
Brad Wolters, DHCD
Jessica Handy, DHCD
Roger Campos, DHCD
Linda Gilmore, DLLR
Erin Goodnough, MDP
Angela Butler, MDP
Brady Walker, Department of Commerce
Steve Pennington, Department of Commerce
Greg Derwart, Department of Commerce
Bret Schreiber, Department of Commerce
Julie Woepke, Department of Commerce

I. Call to Order/Introductions of Members

Secretary Gill called the meeting to order and welcomed members and guests.

II. Review and approval of March 28, 2017 Minutes

Upon motion duly made and seconded, the minutes of the March 28, 2017 meeting were approved.

III. Chair Update

Secretary Gill thanked the Cabinet for their participation in several recent successful events – Governor’s Business Summit with 700 attendees and the 147th Preakness Stakes. He reflected on the effectiveness and success of the Governor’s priority of collaboration among agencies. He stated and Cabinet Secretaries agreed, that the Commerce Cabinet is being effective in advancing projects, initiatives and mutual areas of support. He added that Governor’s recent announcement of the Excel Maryland Initiative will further boost collaboration among agencies and partners. He concluded by stating that the recent decision by the Public Service Commission regarding wind energy has the potential to have a significant economic impact on many industries, jobs, and investments.

IV. Governor’s Office

Britta Vander Linden, Deputy Chief of Staff addressed the Cabinet. She supported statements made by Secretary Gill regarding the Governor’s collaborative approach to address issues, initiatives and achieve results. She noted the collaboration was observed at the recent International Council of Shopping Centers (ICSC) Conference where State representatives were working with partners to attract goods, services, investments, and jobs. She also noted several Interagency Teams have been organized to address specific topics such as Rural Broadband. She then discussed the recently announced Excel Maryland Initiative to accelerate the life sciences and cyber industries in the state. She stated the initial Initiative will be divided into two (2) stages – a study of what we are and what we should be doing in the industries and then execution of actions which could take many years that may include legislation, budgets, and partnerships.

V. State Highway Administration (SHA)

SHA Administrator Greg Slater addressed the Cabinet and gave a presentation on the transformation of the Administration. He explained the core values of innovation, modernization, customer service experience, and communication to transform the culture of the organization. He discussed the importance of the organization to evolve with the changing transportation landscape; address highway performance trends; implement a new performance measurement system; instill the understanding that transportation can facilitate economic opportunities in the state; implement new contracting procedures and permit processes; create a cultural shift; and integrate methods to recognize excellence in customer service. New permitting and contract procedures have already accelerated a number of projects, advanced economic strategies and some are now national models such as Progressive Design Build and A+B cost effective bid process. (Presentation on file.)

VI. Legislative Wrap-up

Cabinet Secretaries provided updates on 2017 legislation impacting each agency. Secretary Peters reported on legislation impacting the mapping of heritage area boundaries which could provide additional resources to counties. She stated that MDP had reviewed 172 bills, provided fiscal notes on 30, and 15 letters of support. Secretary Holt reported on a new micro loan program which will provide more flexibility to small businesses who can’t access traditional small business loans. Secretary Rhee

reviewed a handout of GOMA's legislative highlights which address minority business enterprises programs; procurement; GOMA name change; new task forces, committees and studies.

Secretary Schulz reported on the More Jobs for Marylanders Act of 2017; the Voluntary Protection Program; and several changes in the Division of Unemployment Insurance and the Division of Occupational and Professional Licensing. Deputy Secretary Tablada reported a successful session for MDE. MDE reviewed 203 bills, provided fiscal notes on 67, and 53 letters of support. He then reviewed specifics of the bills as found in the presentation on file.

Assistant Secretary Mark Crampton provided an update on MDOT's legislative priorities. Two (2) major administration bills passed – the Road Kill Bill which would have placed a number of transportation projects in jeopardy of completion was successfully repealed and the Clean Cars Act was reauthorized which provides tax credits for the purchase of electric vehicles and charging station infrastructure. He added that stricter drunk driver laws for repeat offenders which the Administration had advocated for did not pass. He then reviewed in detail MDOT's Departmental bills, procurement reform bills and other bills of interest as found in the presentation on file.

Secretary Gill continued the discussion on the More Jobs for Marylanders Act of 2017, highlighting specific counties impacted; job creation requirements and tax credits associated. He added that the Act also provided for the \$1 million in funding of the Partnership for Workforce Quality training program to be administered by Commerce. He also addressed administrative changes to the Video Lottery Terminals (VLT) program; extension of an employer security income tax credit; an amendment to the Maryland E-Innovation Initiative Program; and the renaming and restructuring of a Manufacturing Commission. (Presentations and handouts on file.)

VII. Cabinet Workgroups

a. Customer Service

Greg Derwart, Managing Director, Administration & Customer Experience, Department of Commerce provided an update on the 39 agency bi-annual liaisons training and other outreaches. He reported on the state-wide customer service surveys; state-wide customer services training Request for Proposals (RFP) process; implementation of a Governor's Heroes awards coinciding with the Board of Public Works meetings; annual customer service report schedule; and a planned fall customer service liaisons meeting and expo.

b. Workforce

Bret Schreiber, Director, Education and Innovation, Strategic Industries and Entrepreneurship, Department of Commerce reported that Commerce continues to coordinate with DLLR to provide seamless support to the customer for workforce development needs. He reported on the progress of staff cross-training; web site coordination and cross-reference; recent marketing at the Business Summit marketing; and apprenticeship and internship initiatives coordination.

c. Mega Projects

Ben Wu, Deputy Secretary/COO, Department of Commerce provided a brief update on the four (4) top Mega Projects: 1) Federal Bureau of Investigation (FBI) headquarters – Administration has requested full funding by the end of fiscal year 2018; 2) Port Covington –first business opened in April, master

development planning continues and the developer is marketing retail opportunities; 3) Tradepoint Atlantic –developer is close to announcing a new tenant and coordination with several state and local government agencies continues. Secretary Holt updated the Cabinet on the fourth Mega Project, Project C.O.R.E., stating that demolition continues and successes are being realized in Baltimore City.

Brad Wolters, Senior GIS Specialist, DHCD and Erin Goodnough, Director, Planning Data & Research, MDP addressed the Cabinet. At the Cabinet's March 28th Meeting, it was expressed that the Cabinet would like to have a visual of the Mega Projects to understand the location, and relationship of Mega Projects with Agencies' projects, programs and initiatives. Mr. Wolters and Ms. Goodnough presented a draft map, project outlines and data for discussion. Cabinet Secretaries were impressed with the map development to date, had several questions on accessibility and concluded that an additional Workgroup meeting was needed to further provide input into the project.

VIII. Business Development Activity

Steve Pennington, Managing Director, Business & Industry Sector Development, Department of Commerce provided an update on five (5) recent wins – Knorr Brake, Crystal Steel, Manufacturing Support Industries, Inc., APISource, Iron World, and several smaller projects. Mr. Pennington reported on four (4) pending projects and emphasized the increased activity of the Department in comparison to 2016. He added that there is an increased focus on business attraction, highlighting recent and future major events – RSA 2017, Paris Air Show, Bio17, AUVSI, Corenet, Industrial Asset Management Council (IAMC), and ICSC. He added that the Department is working on the implementation of the More Jobs for Marylanders Act of 2017, and the processing of the biotechnology investment incentive tax credits applications. (Presentation on file.)

SHA Administrator Greg Slater brought up for discussion Aberdeen Proving Ground (APG) and its vehicle test site and the opportunity for Maryland to cultivate an auto industry start up cluster. Clusters have started in Detroit and Las Vegas.

IX. Good of the Order

Secretary Schulz notified the Cabinet of the Governor's talking points related to his position on Paid Sick Leave and a Myth vs Reality document and recently signed Executive Orders related to Paid Sick Leave. Documents were discussed and distributed.

X. Future Meeting Dates

September, November

XI. Adjournment

There being no further discussion and upon motion duly made and seconded, the meeting was adjourned at 12:20pm by Secretary Gill.